

# FISCAL NOTE

**Bill #:** SB0051

**Title:** Public employee qualified health care expense accounts

**Primary**

**Sponsor:** Don Hargrove

**Status:** Reference Bill- As Amended

---

Sponsor signature	Date	Chuck Swysgood, Budget Director	Date
-------------------	------	---------------------------------	------

---

**Fiscal Summary**

	<u>FY2002 Difference</u>	<u>FY2003 Difference</u>
<b>Expenditures:</b>	0	0
<b>Revenue:</b>	0	0
<b>Net Impact on General Fund Balance:</b>	<b>0</b>	<b>0</b>

---

<u>Yes</u>	<u>No</u>		<u>Yes</u>	<u>No</u>	
	X	Significant Local Gov. Impact		X	Technical Concerns
	X	Included in the Executive Budget		X	Significant Long-Term Impacts
	X	Dedicated Revenue Form Attached		X	Family Impact Form Attached

---

**Fiscal Analysis**

ASSUMPTIONS:

1. Because the tax impact of this proposal will not take effect until employees either terminate employment with the state or retire, and because the plan cannot take effect until certified as a qualifying plan, there is likely to be a very minimal impact on revenue from this proposal in the 2003 biennium.
2. There are no administrative impacts associated with this proposal for the Department of Revenue.
3. A vote of two-thirds of the members of each house of the legislature is required to enact SB 51 [Section 18]

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

This proposal has no impact on county or other local government revenues or expenditures.

LONG-RANGE IMPACTS:

This proposal has an impact on reducing individual income tax revenue in the future. The amount of the impact will depend on the number of state and local government entities that act to adopt the proposal, the amount of sick leave contributed to the plan accounts, and the timing of when employees terminate or resign from employment. There is no method of accurately forecasting these impacts; however, it is likely that the impact in any given year will be less than \$100,000.